

## Adams County Trending 2011

### Overview

Adams County is a rural farming community which is influenced by Fort Wayne and also by a large population of Amish. The County is divided into twelve Townships (three wide by four tall) with three different school districts. U.S. Highway 27 divides the County from east to west in almost the middle of the County. Decatur, which is the largest town, Monroe, Berne and Geneva are situated along this highway and have the majority of industry and commercial properties.

The number of sales was substantially lower in 2009 and 2010 than in previous years. The sale prices were steady but the time spent on the market increased.

Each ratio study is contained on a worksheet in the enclosed Excel spreadsheet. The tabs are self-explanatory. The tab marked "Summary" lists the results of the study on a township basis. There are separate tabs for each of the 6 property classes to be reviewed – residential vacant, residential improved, commercial vacant, commercial improved, industrial vacant and industrial improved. All spreadsheets contain the thirteen entries required by 50 IAC 27 as well as the Median, COD and PRD.

In order to have enough sales for meaningful analysis, 2008 and 2009 sales were included in the ratio study. A -1.0% per year (applied by month) time adjustment was applied to the 2008 and 2009 residential and commercial sales.

A spreadsheet titled "Adams County 2011 Trending Sales Reconciliation" is attached with this document along with the County's Ratio Study and "Workbook". The sales reconciliation spreadsheet includes a list of the sales that were marked valid in the sales file but were omitted or marked invalid and included in the study and why. It also includes any sales where the assessed values or sale prices were adjusted and why. This spreadsheet also includes a tab that lists which neighborhoods were combined or compared too for the ratio study.

### Residential Improved and Vacant Analysis

Due to the limited number of residential vacant sales in any given township and the fact that the county is fairly consistent, all the townships were combined for the ratio study and assessed accordingly.

The residential improved sales were of sufficient quantity to evaluate Preble, Root, Union and Washington Townships individually. The remaining townships were combined together into 2 groups by location. The first group includes Blue Creek, French, Kirkland, Monroe and St. Mary's Townships. The second group includes Hartford, Jefferson and Wabash Townships. These two groups are geographically as well as economically very similar. This gives a more accurate assessment of the Townships with a small number of sales. The ratio study shows that all Townships and Township groups meet the state requirements for the Median, COD and PRD.

## Commercial Improved and Vacant Analysis

Due to the limited number of valid sales in any given township and the fact that the county is fairly consistent, the townships were grouped together for the commercial vacant and improved ratio studies. There were only two commercial vacant sales. Therefore an analysis of the commercial land was completed and in all cases this land value was equal too or greater than the corresponding residential neighborhoods.

The Commercial Improved sales Median, COD and PRD fall with the state requirements on a countywide basis.

## Industrial Improved and Vacant Analysis

There was only one valid industrial vacant land sale in the county. Therefore an analysis of the industrial land was completed and in all cases was equal to or greater than a corresponding residential neighborhood.

There were no valid industrial improved sales occurring in the timeframe. As indicated by the rule "If assessing officials determine that there are insufficient sales of commercial or industrial property in a township or county to determine an annual adjustment factor, the county shall use one (1) or more of the following too derive annual adjustment factors or modify the values of commercial and industrial property . . ." Since there were no sales, Marshall and Swift cost analysis was used. Using the Comparative Cost Multipliers and the Fort Wayne area along with the 3 building classes most predominate in the county from Marshall & Swift, a cost factor of 1.032 was calculated. This factor was the difference from January 1, 2010 to March 1, 2011. The factor was then applied to all of the building type improvements in the county. An additional year of depreciation was applied to these buildings. The total previous building values were then compared to an updated building value based on the Marshall and Swift factor resulting in the annual adjustment factor of 1.0036. This factor was multiplied by the 2010 neighborhood factor of 1.09 which when rounded leaves the factor at 1.09.